

~~CONFIDENTIAL~~

25 February 1975

MEMORANDUM FOR THE RECORD

SUBJECT: OER Involvement in Commerce Department  
Investigation of Alleged Export  
Control Violation

25X1A  
25X1A  
1. In late 1973 or early 1974, the Department of Commerce received information indicating that a US firm, [REDACTED] had violated US and COCOM export control laws. Apparently, [REDACTED] shipped embargoed magnetic disc recording heads and subassemblies to [REDACTED] without an export license. Currently, the Compliance Division of the Office of Export Administration (OEA), Department of Commerce, is conducting an investigation.

2. In early May 1974 the undersigned received an invitation from the Bureau of Standards to attend an interagency meeting on the [REDACTED] case. Apparently, the Bureau of Standards was directed by Commerce to establish the facts concerning the violation. At the meeting we presented a briefing on Communist capabilities in the magnetic disc area. A summary record of that meeting is attached (Attachment A). We later received an invitation to attend a second meeting on the subject. We declined on the grounds that we had provided intelligence information on Communist capabilities at the previous meeting, and that the investigation of the violation proper was not our concern.

25X1A  
3. On 19 February 1975, at the request of the OEA, we delivered to Mr. Rauer Meyer, Director, OEA, a copy of a joint OER/OSI intelligence statement prepared by Mr. [REDACTED] on [REDACTED] capabilities to produce computer disc drives and heads (Attachment B). That statement had been prepared for the Department of State in connection with a review of the US position in the COCOM List Review Negotiations. On 21 February 1975, Mr. Aaron Tollin,

CLASSIFIED BY	015319
EXEMPT FROM GENERAL DECLASSIFICATION	
SCHEDULE OF DECLASSIFICATION CATEGORY:	
§ 5B(1), (circle one or more)	
AUTOMATICALLY DECLASSIFIED ON	
DATE IMPOSSIBLE TO DETERMINE	
(unless impossible, insert date or event)	

~~CONFIDENTIAL~~

CONFIDENTIAL

Approved For Release 2002/01/03 : CIA-RDP80-01794R000100080002-1

Chairman of the Operating Committee of the Advisory Committee on Export Policy (ACEP) requested that CIA prepare an unclassified version of this statement for use by Commerce lawyers as evidence in the [REDACTED] investigation. Mr. [REDACTED] informed Mr. Tollin that the request would have to be taken under advisement at a higher level to ensure that such action did not extend beyond CIA responsibilities.

4. On 25 February 1975, Mr. [REDACTED] received a call from Edward Kritzer, Office of Export Administration. He requested that Mr. [REDACTED] serve as a government witness in an upcoming Commerce Department hearing on the [REDACTED] case. He further requested that CIA approve the use of the intelligence statement on [REDACTED] disc technology at the hearing. Mr. Kritzer was informed that his request would be relayed to higher authority.

[REDACTED]  
OER/U/MC

[REDACTED]  
OER/U/TD

(CIA Representative to ACEP  
Operating Committee)

Attachment:  
As Stated

Distribution:  
Orig & 1 - AcD/OER  
1 - D/U  
1 - U/MC  
1 - U/TD

OER/U/TD: [REDACTED] (25 Feb 75)

CONFIDENTIAL

25X1A

Approved For Release 2002/01/03 : CIA-RDP80-01794R000100080002-1

**Next 14 Page(s) In Document Exempt**

Approved For Release 2002/01/03 : CIA-RDP80-01794R000100080002-1